

The Tobacco Industry Found Guilty of Violating U.S. Racketeering Laws (Linda Lang - American Cancer Society)Exhibit No. 12Date 2-16-07Bill No. 58336

- In the summer of 2006, the U.S. District Court for the District of Columbia found the nation's largest tobacco companies (Philip Morris, R. J. Reynolds, Liggett, Lorillard, BATCo, Brown & Williamson, et al.) to be guilty of violating federal racketeering laws for gross violations and deceptive practices. In those findings, the court issued a significant finding about the tobacco industry in its relationship with the nation's youth.
- The court found that for more than fifty years, the tobacco industry has intentionally marketed to youth (which the court defined as 18 to 21 year olds AND children under the age of 18) in order to recruit "replacement smokers" to ensure the economic future of the tobacco industry. Supporting this major decision, the court made the following findings :
 1. The tobacco industry needs youth as replacement smokers.
 2. The tobacco industry's marketing is a substantial contributing factor to youth smoking initiations.
 - a. Tobacco industry documents indicate that only about one third of new smokers are over the age of 18.
 - b. Some 90 percent of today's smokers started before they reached 18.
 - c. Tobacco industry documents state that if a man has not smoked before reaching 18, the odds are three-to-one that he never will; by age 21, the odds are 20-to-one.
 3. The tobacco industry's tracking of youth behavior and preferences ensures that:
 - a. Its marketing and promotion reach youth
 - b. The tobacco industry's marketing employs themes that resonate with youth
 - c. The tobacco industry continues price promotions for premium brands that are most popular with teens
 4. The tobacco industry's marketing is quite successful in reaching youth
 - a. The tobacco industry's spending on marketing and promotion has continually increased
 - b. The tobacco industry advertises in youth-oriented publications.
 - c. The tobacco industry markets to youth through direct mail
 - d. The tobacco industry markets to youth through an array retail promotions
 - e. The tobacco industry's promotional items, events, and sponsorships attract youth
 5. The tobacco Industry's so-called youth smoking prevention programs are not designed to effectively prevent youth smoking
 6. Despite the overwhelming evidence to the contrary, the tobacco industry's public statements and official internal corporate policies deny that their marketing targets youth or affects youth smoking incidence.